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## California Gasoline and Diesel Demand Rose in Second Quarter, Fuel Tax Data Says Average Gasoline Price Spiked to \$4.26 in Second Quarter 2012

**Sacramento** – California's gasoline demand rose 0.8 percent in the second quarter of 2012 with prices hitting \$4.26 per gallon, according to fuel tax data released by Vice Chair Michelle Steel of the California State Board of Equalization (BOE). Diesel consumption increased 1.3 percent in the second quarter of 2012 as prices averaged \$4.25 per gallon. This is the fifth consecutive quarter of rising diesel consumption. Generally, diesel use follows economic activity and is closely related to construction and transportation of goods.

BOE's fuel tax report show Californians consumed 3.69 billion gallons of gasoline in the second quarter of 2012, a 0.8 percent increase from the 3.66 billion gallons consumed during the second quarter of 2011. Historically, gasoline consumption has declined for six consecutive years. Since 2005-06, California gasoline consumption has declined by 1.3 billion gallons, an 8.2 percent decline.

California's average gasoline prices rose 13 cents to \$4.26 in the second quarter of 2012, a 3.1 percent increase compared to last year's second quarter average price of \$4.13 according to the U.S. Energy Information Administration (EIA). The U.S. regular gasoline price averaged \$3.78 a gallon down 7 cents in the second quarter of 2012, from same quarter last year.

California's diesel consumption rose 1.3 percent in the second quarter of 2012, up 9 million gallons to 676 million gallons compared to 667 million gallons in the second quarter of 2011. During the second quarter of 2012, California's average diesel prices were down 8 cents to \$4.25 per gallon in the second quarter according to the EIA. Nationally, average diesel retail prices were also down (6 cents) to \$3.95 in the second quarter of 2012 compared to the same quarter in 2011.

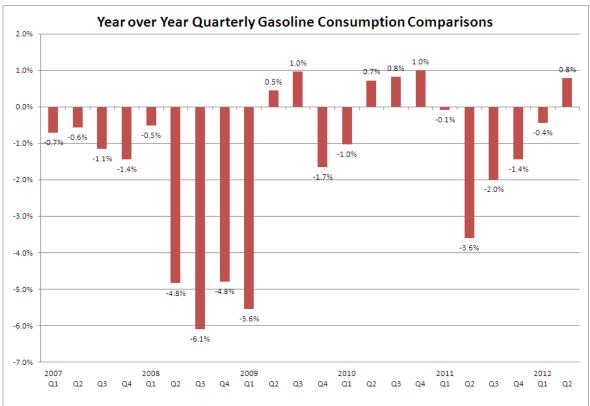
(See below charts for gasoline and diesel consumption that compare one quarter with the same quarter in a previous year. For example, gasoline consumption in the second quarter of 2012 is 0.8 percent higher than the second quarter of 2011.)

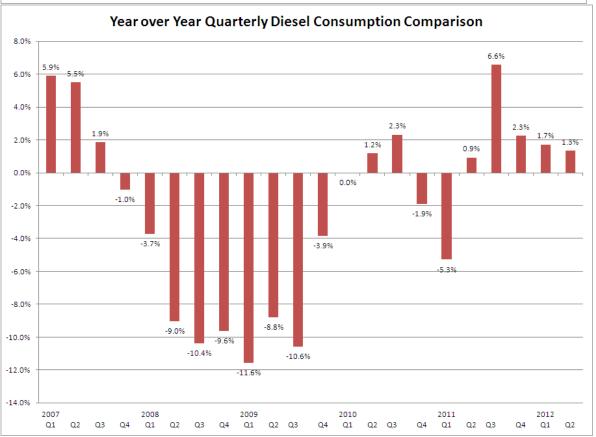












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For more information on California fuel statistics reports based on fuel tax receipts paid by distributors in California, visit: www.boe.ca.gov/sptaxprog/spftrpts.htm

State Taxable Gasoline Gallons Report: www.boe.ca.gov/sptaxprog/reports/MVF\_10\_Year\_Report.pdf

State Taxable Diesel Gallons Report: www.boe.ca.gov/sptaxprog/reports/Diesel\_10\_Year\_Report.pdf

Elected to the Board of Equalization in 2006 and re-elected in 2010, Michelle Steel serves as Southern California's elected taxpayer advocate. In December 2007, Steel discovered the Board of Equalization had delayed the return of millions of dollars in security deposits owed to California businesses. Procedures were changed due to Steel's decisive leadership. Following her investigation, the tax agency refunded tax security deposits to over 5,500 small businesses. To date, over \$100 million in security deposits have been returned to taxpayers.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$53.7 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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